

UST Cleanup and Redevelopment: A Local Government Perspective

Andrew Bracker
City of Kansas City, Missouri

Nuts & Bolts of Redeveloping Brownfields (and
Other Contaminated Properties) for Local Government

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A Kansas City Perspective

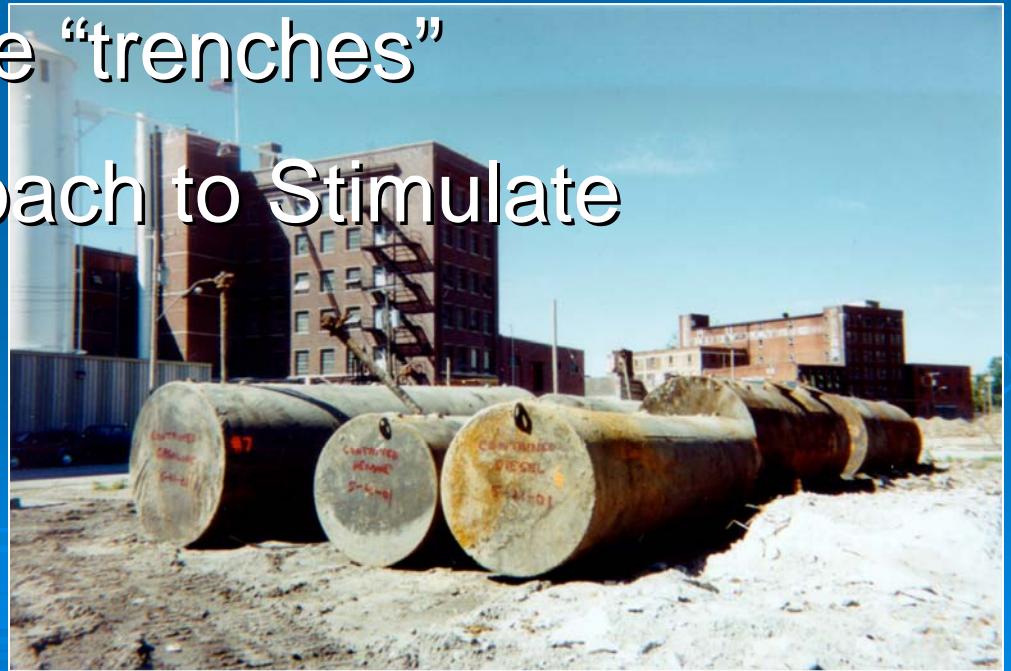
➤ UST Sites:

The nature of the problem

➤ USTFields Pilot:

News from the “trenches”

➤ Aggregate Approach to Stimulate Redevelopment



State Incentives



Missouri Department of Natural Resources

PETROLEUM STORAGE TANK INSURANCE FUND (PSTIF)

- Up to \$1,000,000 per site for subsurface cleanup
- Excludes tank removal, disposal, demolition & \$10,000 deductible
- Must have been registered or known to state before 12/31/97
- MRBCA Tanks – Fund Solvency!



Local Government Sites: The Nature of the Problem

- Lack of ownership/control
- Lack of Resources
- Unregistered/unregulated “Mom & Pop” Sites
- Aesthetic and economic blight
- Difficult to redevelop:
 - Small size
 - Low value
 - High transaction costs
 - Little developer interest



USTFields Pilot



Missouri Department of Natural Resources



- \$100,000 EPA Pilot (one of ten initial Pilots)
- Partnership:
 - EPA Region VII RCRA UST/LUST program
 - Missouri Department of Natural Resources Tank Division
 - City of Kansas City, MO Brownfields Office

USTFields Pilot

Implementing New Strategy

- Focus on Area-Wide approaches – Feasibility Study, Urban Corridors
- Participate in long-term, community-based initiatives (Prospect, Troost)
- Leverage public infrastructure funding

USTField Feasibility Study

- ✦ Description: Collection and analysis of environmental, regulatory, economic, planning and community data to evaluate the feasibility of cleanup and re-use in coordination with local revitalization efforts.
- ✦ Goal: To present information most useful for a decision-maker considering USTField sites in a redevelopment plan.
- ✦ Tasks:



- ✓ Perform Phase I assessment of Prospect Corridor sites
- ✓ Study redevelopment potential and identify potential resource leverage
- ✓ Rank USTField sites for resource allocation
- ✓ Propose synergies (site assembly, combined site work)

Prospect Corridor



Prospect Corridor

✦ Abundant UST & Other Petroleum Sites

- Former gas stations
- Garages (tire, transmission, general service, auto inspection, etc.)
- Auto Sales/Salvage lots

✦ Prospect Corridor Initiative

- \$2 million initial investment at 39th & Prospect (ground zero)
 - Initial Project: gas station relocation and expansion into modern facility, mini-grocery, 2nd floor community services center
- Urban Renewal Plan and Blight Study
- Community Participation and Governance

Prospect Corridor - Preliminary Survey



3001 Midtown Printers
 3423 Center Body Shop
 35th nw corner. Ace Body Shop. Advanced Awning & Iron Works
 35sw corner Payday Loans (former gas station)
 35th se block antique storefronts
 37th sw corner Dudley's Garage.
 37th corner Midtown Auto Exchange (real auto dealer)
 37th corner Murray's excavating
 39th sw corner. Garage.
 High ground residential lots with nice views
 43rd se corner Moore & T Auto Mech. Serv. Paint Shop
 4310 John's Prof. Body Shop
 4315 King Auto Body Garage
 44th se corner ???
 44th nw corner empty lot w/ radiator bottles
 4401 Used Cars
 4501 se corner Gas Station + lots of tires
 45th east side Arden Auto
 4601 Ron's Auto
 4750 Air Conditioning Service. Wright & Son Auto Repair.
 50th west side Di Carlo
 5035 Garage, cinder block construction
 51st se corner T.J's Station
 5120 construction equipment storage
 5204 Williams Bros.
 5239 L...
 5301 C...
 5303 C...
 5343 K...
 5401 G...
 5408 P...
 5413 Rock & Sons Autos *Photo*
 55th se corner former gas station?
 55th ne corner former gas station?
 5528 R & R Custom Work
 5546 Harris Garage. Plus lot on east side. *Photo*
 5601 GoodBuy Auto Sales. *Photo*
 5621 Intercity Auto Repair
 57th Fields Bros. Auto Sales (well-maintained)
 57th Elite Auto Sales (well-maintained)
 5701 A Touch of Class auto repair & detailing (well maintained)
 5705 cars on lot
 5728 many cars on driveway between homes. *Photo*
 5734 C&W used auto sales. *Photo*?

USTField Feasibility Study Zone

Future USTField Feasibility Study Zones

61st J&L Garage
 6700 Former gas station
 6730 Newsomes Auto Repair
 67th Byrd Bros. L&V Motors *Photo*
 6809 Fresh Look Cleaners
 6815 Doug's Lawn & Garden. East & west sides.
 6909 Courtesy Dry Cleaners
 6941 "Wanted Junk Cars." Storefront. *Photo*.
 6943 Five-Star. J&B Garage . Used Cars
 7008 garage



Typical Prospect Corridor Distressed Property Sites

- Former gas station (above)
- Dry cleaners (above right)
- Garage/Used Car Lot (right)



Prospect Corridor Strategy

- **Participate in Community Revitalization Efforts**
 - Work closely with Neighborhoods to include and benefit Residents.
- **Use Multi-Site Approaches**
 - Area-wide investigation
 - Development Incentive Districts (TIFs, CIDs, NIDs)
 - Environmental insurance
- **Seek Market-Driven Development Projects and Build Near Anchors**
 - Health Midwest, Brush Creek Partners
- **Leverage Infrastructure Investments**
 - Prospect Bridge, Bruce R. Watkins, Town Fork Creek

Feasibility Study Results

- 47 Former tank sites identified

 - 24 Garages and other tank sites (tire, transmission, general service, auto inspection, etc.)

 - 23 current and former service stations

- Geologic and hydrogeologic survey

- Database of site photos, records, interviews, site information

Small and Rural Communities

- Lack of density, less risk to receptors.
Less likely complete exposure pathways.
- Simpler site presentation (less proximity to utility lines, fill materials).
- Ecological risks may have higher potential, but are still infrequent.

Small and Rural Communities

- Private well proximity is greater. Potential groundwater use and can drive some cleanup decisions.
- Public drinking water well-fields also at risk, more than in urban areas. (MTBE)
- Small towns don't usually have groundwater ordinances or requiring public water supply hook-up.



Small and Rural Communities

Biggest UST Challenges:

- Expertise
- Capacity
- Resources

Small and Rural Communities

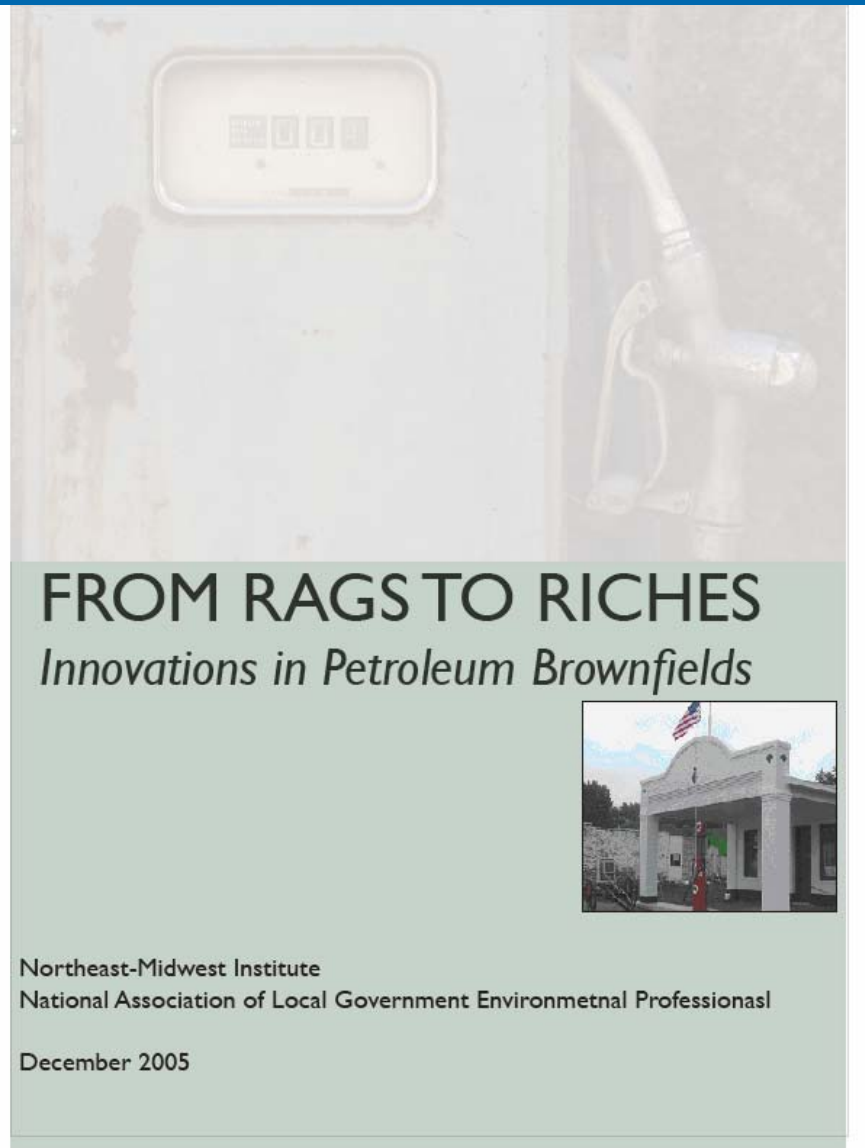
Expertise:

➤ Peer Communities

- Find towns that have cleaned up similar sites. Check PSTIF and DNR website lists.

➤ Local Gov't Organizations Resources

- NALGEP
- Northeast-Midwest Institute



Northeast Midwest Institute
www.NEMW.org

RECYCLING AMERICA'S GAS STATIONS

The Value and Promise of
Revitalizing Petroleum Contaminated Properties

A PRIMER FOR PETROLEUM BROWNFIELDS

WHAT CAN YOUR COMMUNITY DO TO REVITALIZE UST SITES?

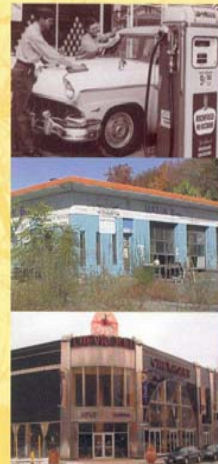
Northeast-Midwest Institute
National Association of Local Government Environmental Professionals



INSIDE YOU'LL FIND:

A NEW LOOK AT OLD GAS STATIONS
KEYS TO SUCCESS FOR COMMUNITY REVITALIZATION OF
PETROLEUM BROWNFIELDS
SUCCESS STORY EXAMPLES
RESOURCES FOR FURTHER INFORMATION

Sponsored by the U.S. Environmental Protection Agency, Office of Underground Storage Tanks
Autumn 2003




Government Environmental Professionals

NALGEP
National Association of
Local Government
Environment Professionals

www.NALGEP.org

Small and Rural Communities

Capacity:

- Local Fire Dept., Public Works, Water Services, all typically have some experience with USTs.
 - Hire professional firm to manage tank pull.
 - Seek local business community participation and assistance.
- 

Small and Rural Communities

Resources:

- PSTIF
 - Pay close attention to eligibility
 - Get Letter of Cost approval before starting
- EPA Brownfield Assistance
 - Grants available for assessment and cleanup of petroleum sites.
 - Small communities have had good results using grant writing services.
- Missouri Brownfield Assistance
 - If site will create jobs and not eligible for PSTIF
- Cost recovery
 - Difficult option to sue responsible parties but sometimes necessary.

State Incentives



REMEDIATION TAX CREDITS:

- State Tax Credit
- Credits issued for 100% of eligible remediation costs.
- Saleable and transferable.
- 75% of credits issued upon cleanup. Remainder when certified complete.
- No pre-set program or per project limit
- Can be combined with state and federal historic preservation tax credits.



Currently price around \$0.87 cents per \$1.00 credit

State Incentives



ELIGIBILITY:

- Enter Missouri Voluntary Cleanup Program (VCP) (i.e., not Times Beach)
- Abandoned or underutilized for at least three (3) years
 - Underutilized = no more than 35% use.
- Create at least ten (10) new, full-time permanent jobs
- . . . or, retain at least twenty-five jobs (but difficult to show).



State Incentives



LIMITATIONS:

- Least amount necessary for project to work ("but for" test)
- Net State Economic Benefit
- \$1 million limit on grants, loans and loan guarantees
- No demolition or construction costs



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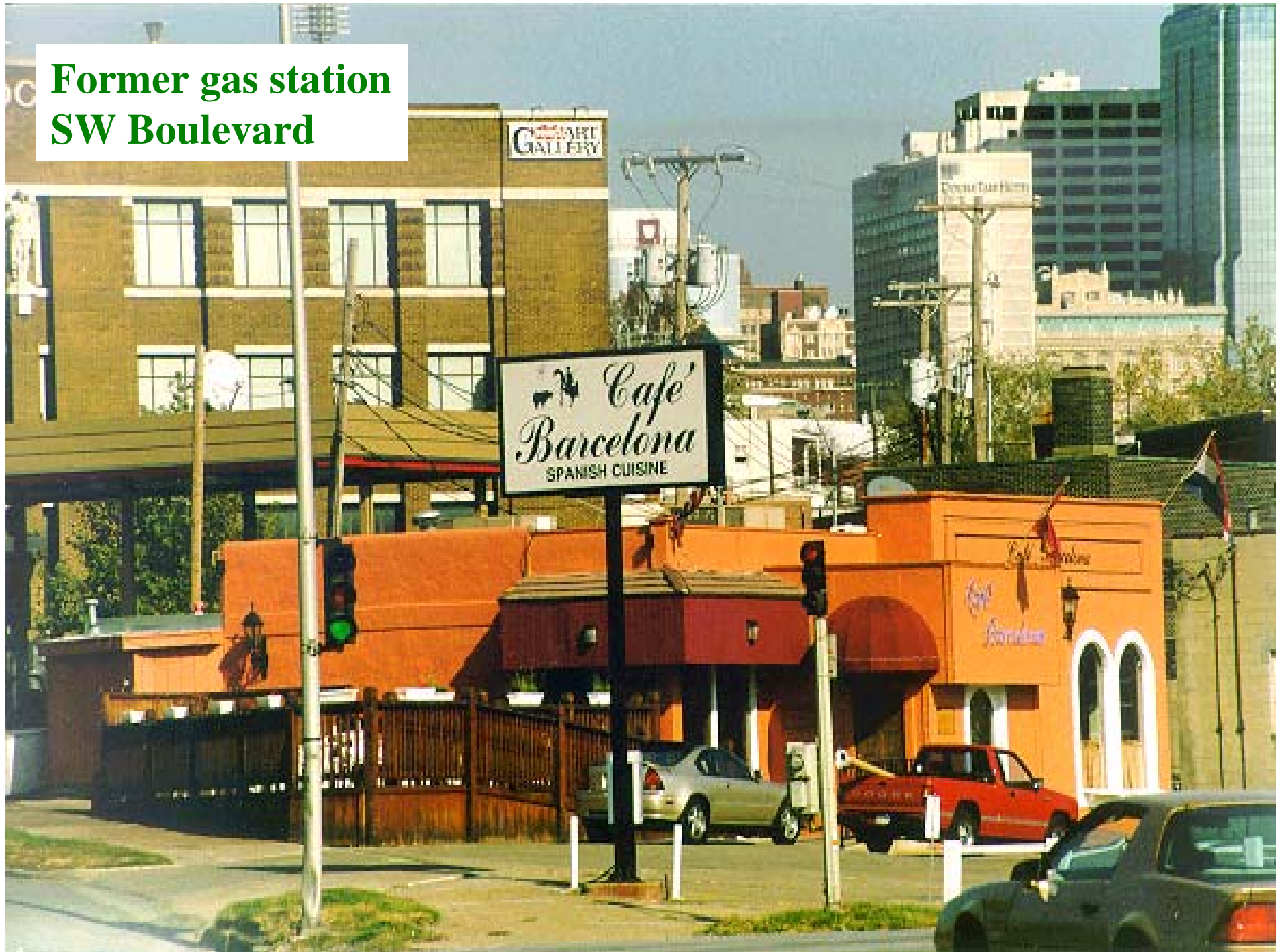
Development concepts

- Cafes and restaurants
- Small Businesses
- Small parks

Former Gas Station on
Southwest Boulevard



**Former gas station
SW Boulevard**



Service Station Conversions



Pizza 51

- 5060 Oak Street
- S & J DEVCO LLC
- about \$95,000
- May to Sept. 2004

- Development of brownfield property
- Leverage of existing, high-visibility property
- Access to trails and public transit
- Enhanced neighborhood retail



Filling Station
29th & Gillham





Former Amoco Station
Brookside Shopping Center
63rd & Brookside Blvd.

THANK YOU!

For more information, please contact:

Andrew Bracker
City of Kansas City, MO
(816) 513-3002
andrew_bracker@kcmo.org

